

Arrest at The Sun spreads Murdoch hacking scandal

Written by computathug

Sunday, 06 November 2011 04:03 - Last Updated Sunday, 06 November 2011 21:54

By RAPHAEL G. SATTER

A journalist at Rupert Murdoch's The Sun tabloid has been arrested on suspicion of police corruption, British media reported Friday, a development that spreads the taint of scandal to the country's biggest-selling newspaper.

U.K. broadcasters and newspapers identified the journalist as award-winning editor Jamie Pyatt, whose name appeared on one of The Sun's most sensational scoops -- a story with a photograph showing Prince Harry attending a costume party dressed in Nazi garb.

The Associated Press could not immediately confirm whether Pyatt had been arrested, although the Sun's publisher, News International, confirmed that one of its current employees had been detained. Police said only they had apprehended a 48-year-old man "outside of London" and had brought him to the capital for questioning. Public records show that Pyatt lives in Windsor, just outside of London.

Word of Pyatt's arrest first broke on Twitter, where photographer Alison Webster, who has worked for the Sun, said Pyatt had been arrested. Contacted by the AP, Webster said she was only repeating something she'd heard from a colleague.

Police said later Friday that the suspect was bailed until March pending further questioning.

The Sun is Britain's highest-circulation daily, putting out more than 2.7 million copies a day, according to Britain's Audit Bureau of Circulation. It was once one of Murdoch's most profitable papers and until recently wielded considerable political influence -- the paper famously claimed to have swung the 1992 election in favor of Britain's right-leaning Conservatives.

An ethics scandal at the Sun could mean further legal and financial problems for Murdoch's global media empire, which has already had to write off \$91 million in restructuring costs linked to the closure of its now-defunct News of the World tabloid. The paper was shut down in July

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after it emerged that its staff had routinely intercepted the cell phone voicemails of public figures -- including celebrities, sports stars, politicians, and even crime victims.

The scandal has shaken Britain's establishment, leading to the resignation of the prime minister's top media aide -- a former News of the World editor -- and two of the country's most senior police officers.

More than a dozen journalists, most of them former News of the World employees, have since been arrested. More revelations about wrongdoing at the tabloid could still emerge.

British police say the paper could have targeted over 5,795 people in its relentless quest for scoops, and the company faces 60 active lawsuits related to the phone hacking, according to Tamsin Allen, a lawyer who's coordinating the litigation. Costs are expected to run into the tens of millions of dollars.

In a bid to control its legal fees, News International said Friday it was unrolling a compensation program supervised by a retired judge that would settle cases quickly and out of court.

News International called the program "a speedy, cost-effective alternative to litigation" for people who had been spied upon by the News of the World, although victims' lawyers suggested the company was trying to save on attorney's fees.

"That's a commercial decision -- they're saving a lot of money on legal costs with this procedure," said Allen.

She acknowledged that some victims could find such a plan useful, but others might have questions that "will only be answered if they're pushed through the courts with the power of disclosure."

Mark Lewis, another victims' lawyer, said it was not clear how hacking victims would be treated

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by an out-of-court settlement system.

He did say one of his clients, the family of murdered schoolgirl Milly Dowler, whose phone was hacked by reporters investigating her disappearance, managed to get a 2 million pound (\$3.2 million) payout from News International without going to trial.